

## Message Text

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ACTION OES-09

INFO OCT-01 AF-10 ARA-11 EA-10 EUR-12 NEA-11 ISO-00  
ACDA-12 CIAE-00 INR-10 IO-14 L-03 NSAE-00 NSC-05  
EB-08 NRC-05 SOE-02 DODE-00 SS-15 SP-02 CEQ-01  
PM-05 SAS-02 DLOS-09 /157 W  
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R 281500Z SEP 78  
FM AMEMBASSY VIENNA  
TO SECSTATE WASHDC 8202  
INFO USDOEHQ WASHDC  
USDOEHQ GERMANTOWN

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USIAEA

DEPT PASS IO/SCT AND S/AS  
DOE PASS AMMONS AND GIAMBUSSO, IA

E.O. 11652: N/A  
TAGS: ENRG, TECH, IAEA  
SUBJECT: INFCE: IAEA STUDY ON INTERNATIONAL  
MANAGEMENT UNDER IAEA AUSPICES OF SEPARATED PLUTONIUM  
AND SPENT FUEL

1. SECRETARIAT MEMBER PAPADIMITROPOULOS HAS ON  
INFORMAL BASIS GIVEN TO MISSION COPIES OF COMMENTS  
ON SUBJECT PAPER RECEIVED FROM SWITZERLAND,  
FINLAND, U.K., NETHERLANDS AND ITALY. EXCEPT FOR  
U.S., NO OTHER COUNTRIES HAVE SENT COMMENTS TO DATE.  
COMPLETE SET OF THESE COMMENTS BEING POUCHED TO JOHN  
BORIGHT, STATE (OES).

2. ALL COMMENTS INCLUDED STATEMENT WELCOMING  
CONSIDERATION THIS SUBJECT BY AGENCY, AND NONE TOOK  
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EXPLICIT EXCEPTION TO INCLUSION OF SECTION DEALING  
WITH INTERNATIONAL MANAGEMENT UNDER IAEA AUSPICES  
OF SPENT FUEL. ONLY STATE EXPRESSING MAJOR RESERVATIONS  
ON PU MANAGEMENT WAS ITALY, WHICH ALSO RESERVED ITS  
OPINION ABOUT SPENT FUEL MANAGEMENT. SEE PARA 7 BELOW.

3. SWISS COMMENTED THAT: "IT SEEMS TO US CORRECT THAT, AT

THE PRESENT STAGE, THE AGENCY DOES NOT PREFER A SOLUTION WHICH WOULD ASK FOR REPROCESSING AS A PREREQUISITE TO ANOTHER SOLUTION. IN THIS CONTEXT WE FEEL THAT SECTION 12.2.3. (P. 42), WHERE FINANCIAL IMPLICATIONS OF SPENT FUEL STORAGE ARE CONSIDERED, COULD BE FORMULATED MORE CAUTIOUSLY. IT SHOULD BE MADE CLEAR THAT STORING SPENT FUEL IS THE CHEAPER SOLUTION IF FOR SOME REASON REPROCESSING IS ABANDONED. "ON THE OTHER HAND WE ARE AWARE THAT THE AGENCY CANNOT INFLUENCE DECISIONS TAKEN IN INDIVIDUAL COUNTRIES AND THAT IT IS THEREFORE SENSIBLE TO CONSIDER ALSO PLUTONIUM STORAGE IN THE REPORT.

"WE WOULD OPT FOR CASE B (P. 20) IN THIS CONTEXT."

4. COMMENTS FROM FINLAND INCLUDED THE FOLLOWING REMARKS: (A) "THE STATUTE OF THE AGENCY EXPLICITLY PROVIDES THE MANDATE FOR THE ELABORATION OF AN INTERNATIONAL PLUTONIUM STORAGE ARRANGEMENT. IT ALSO SETS THE LEGAL FRAMEWORK FOR A POSSIBLE SPENT FUEL STORAGE." (B) "WHILE REALIZING THE DIFFICULTIES CONNECTED WITH THE ESTABLISHMENT OF A MANDATORY AUTHORITY UNDER ARTICLE XII.A.5 OF THE STATUTE, FINLAND WOULD, HOWEVER, PREFER THAT TO A SYSTEM THAT WOULD ONLY INVOLVE AN ASSOCIATION OF STATES THAT WOULD HAVE VOLUNTARILY BECOME PARTIES TO AN INTERNATIONAL LIMITED OFFICIAL USE

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PLUTONIUM MANAGEMENT SYSTEM." (C) AS TO THE INTERNATIONAL MANAGEMENT OF SEPARATED PLUTONIUM THE BEST SOLUTION MIGHT BE OFFERED BY THE ESTABLISHMENT OF AN INTERNATIONAL PLUTONIUM FACILITY AT AN EXISTING REPROCESSING PLANT." (D) "IT SEEMS THAT INTERNATIONAL STORAGE (OF SPENT FUEL) WOULD BE WELL-GROUNDED IN THE CASE OF REPROCESSING WHEN THE DEPOSITORY COULD BE LOCATED AT A REPROCESSING PLANT. THIS WOULD REDUCE THE NEED FOR TRANSPORTS. LIKEWISE A POSSIBLE CASE OF FUEL DAMAGE COULD BEST BE TAKEN CARE OF AT A REPROCESSING PLANT."

5. COMMENTS FROM U.K. WELCOMED AGENCY'S INITIATIVE, STATED IMPORTANCE TO U.K. OF ESTABLISHMENT OF INTERNATIONAL PU STORAGE REGIME UNDER ARTICLE XII.A.5 OF AGENCY STATUTE, AND OFFERED ACTIVE U.K. PARTICIPATION IN FUTURE WORK. U.K. MADE NO SUBSTANTIVE COMMENT ON PU MANAGEMENT SECTION OF PAPER, AND NO COMMENT AT ALL ON SPENT FUEL MANAGEMENT SECTION.

6. NETHERLANDS EMPHASIZED NEED FOR "INTERNATIONALLY CONTROLLED STORAGE ON A NON-DISCRIMINATORY BASIS"

AND STRESSED THAT THE STORAGE SCHEME "SHOULD NOT JEOPARDIZE POSSIBLE PEACEFUL APPLICATIONS OF PLUTONIUM UNDER APPROPRIATE SAFEGUARDS." THEY NOTED ALSO THAT "AN INTERNATIONAL SPENT FUEL SERVICE COULD BE OF A DIFFERENT NATURE FROM A PLUTONIUM STORAGE SCHEME BECAUSE OF THE LESSER PROLIFERATION RISKS INVOLVED. BOTH STORAGE SYSTEMS COULD PERHAPS BE LINKED TO SOME EXTENT, BUT IN OUR VIEW THEY ARE NOT DEPENDENT ON ONE ANOTHER AND COULD BE DEVELOPED AND IMPLEMENTED SEPARATELY."

7. ITALIAN COMMENTS WERE NOT SUPPORTIVE OF THE CONCEPT

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OF INTERNATIONAL PLUTONIUM REPOSITORIES. THE ITALIAN COMMENTS, ABSTRACTED BELOW ARE IN FRENCH, AND THE FOLLOWING SUMMARY QUOTATIONS OF KEY POINTS ARE BASED ON ROUGH IN-MISSION TRANSLATION: (A) CREATION OF INTERNATIONAL PLUTONIUM STORAGE DEPOTS WOULD REQUIRE GREAT EFFORT OF PERSUASION WITH THE HOST COUNTRY; (B) PUBLIC OPINION OF HOST COUNTRIES COULD BRING NATIONAL DEPOTS BACK INTO CONSIDERATION; (C) THE SOLUTION OF SAFEGUARDS AND PHYSICAL PROTECTION PROBLEMS DOES NOT APPEAR TO BE EASED BY INTERNATIONAL DEPOTS BECAUSE THESE PROBLEMS WILL ALWAYS BE AFFECTED BY THE PRIMARY (NATIONAL) STOCKPILE OPERATION AND PROBABLE PLUTONIUM TRANSPORT OPERATIONS WHICH WILL HAVE TO TAKE PLACE AT THE NATIONAL LEVEL; (D) PROBLEM OF PLUTONIUM DEMANDS INTERNATIONAL ADMINISTRATIVE

ORGAN, BUT THIS COULD BE DONE WITHOUT THE NECESSITY OF KEEPING PLUTONIUM IN INTERNATIONAL DEPOTS; (E) IT WOULD BE POSSIBLE TO CONSTITUTE AN AD HOC AGENCY WHICH COULD BE CHARGED WITH ALL QUESTIONS CONCERNING PLUTONIUM BELONGING TO MEMBER STATES WHICH IS IN THEIR TERRITORY, AND THE AGENCY COULD STUDY ALL LIMITED OFFICIAL USE

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NECESSARY MEASURES TO COPE WITH DIFFERENT CONTINGENCIES; (F) THIS AGENCY COULD AT THE SAME TIME EXERCISE THE FUNCTION OF A BANK OF FISSILE MATERIAL; (G) A PROPOSITION OF THIS TYPE HAS ALREADY BEEN ADVANCED BY ITALY WITHIN THE FRAMEWORK OF INFCE WG-3; (H) AS TO SPENT FUEL MANAGEMENT, THE ITALIAN VIEW IS TO RESERVE ITS POSITION ON THIS QUESTION FOR WHICH IT IS IN THE PROCESS OF REALIZING A NATIONAL SOLUTION.

8. SECRETARIAT IS DRAFTING LETTER OF INVITATION TO DECEMBER 4-8 MEETING OF EXPERTS IN VIENNA ON PLUTONIUM MANAGEMENT PORTION OF STUDY. PROVISIONAL INVITATION LIST INCLUDES FOLLOWING COUNTRIES: U.S., U.K., FRG, JAPAN, FRANCE, BRAZIL, ARGENTINA, SPAIN, ITALY, ZAIRE, INDIA, FINLAND, NETHERLANDS, BELGIUM AND CANADA. ADDITIONAL INVITEES MIGHT INCLUDE SWITZERLAND, SWEDEN, AUSTRALIA AND AUSTRIA. AGENCY IS INCLINED NOT TO INVITE INFCE WG-4B REPRESENTATIVE. WHILE U.K. GOVERNOR SUGGESTED AT JUNE BOARD MEETING THAT WG-4 BE INVITED, DURING THE BRIEF DISCUSSION OF THE PU MANAGEMENT PAPER WHICH TOOK PLACE AT THE SEPTEMBER 20-21 MEETING OF WG-4B, THE AGENCY REPRESENTATIVE WAS ASKED TO REPORT THE RESULTS OF THE DECEMBER 4-8 PU MANAGEMENT MEETING TO THE JANUARY MEETING OF WG-4B; NO REFERENCE WAS MADE TO WG-4B REPRESENTATION AT THE DECEMBER 4-8 MEETING.

9. MISSION DOES NOT PLAN TO PRESS SECRETARIAT TO INCLUDE WG-4B AMONG INVITEES TO DECEMBER 4-8 MEETING UNLESS OTHERWISE INSTRUCTED BY DEPARTMENT.

10. IN SEPTEMBER 25 CONVERSATION BETWEEN MISOFF AND ADG FISCHER, FISCHER SAID THAT HE EXPECTED MICHAEL LIMITED OFFICIAL USE

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JAMES, U.K. COST-FREE EXPERT DUE TO JOIN SECRETARIAT OCTOBER 1, TO WORK WITH INTERESTED COUNTRIES DURING PERIOD BETWEEN OCTOBER 1 AND DECEMBER 4 IN EFFORT TO

DEVELOP CONSENSUS VIEWS ON AS MUCH OF PU MANAGEMENT CONCEPT AS POSSIBLE. FISCHER PLANS TO HAVE JAMES SUMMARIZE ANY RESULTS IN A MEMORANDUM WHICH WOULD BE DISTRIBUTED TO INVITEES PRIOR TO THE DECEMBER 4-8 MEETING.

11. FISCHER URGED AGAIN THAT U.S. MAKE AVAILABLE A COST-FREE EXPERT OR A MISSION STAFF MEMBER TO WORK WITH SECRETARIAT ON SPENT FUEL PORTION OF STUDY. HE IS OF VIEW THAT OTHERWISE THE SPENT FUEL STUDY WILL INEVITABLY LAG THE PLUTONIUM MANAGEMENT STUDY.

12. THE DIRECTOR GENERAL'S MEETING ON SEPTEMBER 26, WHICH WAS EXPECTED TO ADDRESS THE DECEMBER 4-8 PU MANAGEMENT MEETING AND THE U.S. SUGGESTION FOR A SIMILAR EFFORT ON SPENT FUEL MANAGEMENT DID NOT ADDRESS THESE SUBJECTS. THE DIRECTOR GENERAL HAS NOW LEFT VIENNA, AND WILL NOT RETURN UNTIL OCTOBER 9. PRESUMABLY THE SUBJECT WILL BE TAKEN UP UPON HIS RETURN. MISSION WILL CONTINUE ITS EFFORTS TO HAVE QUESTION OF EXPERTS MEETING ON SPENT FUEL MANAGEMENT ADDRESSED AND FAVORABLY RESOLVED IN NEAR-FUTURE DIRECTOR GENERAL'S MEETING. KRIK

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## Message Attributes

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